



South Carolina Department of Insurance

300 Arbor Lake Drive, Suite 1200
Columbia, South Carolina 29223

Mailing Address:
P.O. Box 100105, Columbia, S.C. 29202-3105
Telephone: (803) 737-6160


JIM HODGES
Governor

ERNST N CSISZAR
Director of Insurance

BULLETIN NUMBER 2001-05(A)

(Issued Upon November 13, 2001)

TO: All Property and Casualty Insurers Transacting the Business of Insurance Within the State of South Carolina

FROM: Ernst N. Csiszar 
Director

RE: Reporting Recoupment on the South Carolina Business Page and on Schedule T

DATE: November 13, 2001

The purpose of this Bulletin is to respond to industry inquiries regarding the proper reporting of recoupment in the annual and quarterly statements filed with this Department and with the National Association of Insurance Commissioners pursuant to S.C. Code Ann. Sections 38-13-80 and 38-13-85 (Supp. 2000). These inquiries have arisen as a result of recent changes to the South Carolina automobile insurance delivery system and amendments to forms issued by the South Carolina Department of Insurance. S.C. Code Ann. Section 38-77-620(1) (Supp. 2000) provides that "[a]ny recoupment charge paid by policyholders must be considered premium for the purpose of calculating premium taxes...." South Carolina law requires the collection and reporting of recoupment through January 1, 2006.

In 1988, this Department promulgated the South Carolina Business Page Supplement for the annual statement as part of the implementation of recoupment and for the purpose of compiling recoupment charges paid by policyholders. That Supplement is hereby withdrawn; however, companies should report recoupment on the South Carolina Business Page.

Effective this date, all insurers transacting property and casualty insurance business within this state must, pursuant to S.C. Code Ann. Section 38-13-80 (Supp. 2000) and, more specifically, the annual statement instructions adopted by the National Association of Insurance Commissioners, report recoupment on Schedule T of their annual and quarterly statements filed with this Department and the National Association of Insurance Commissioners.

Insurers who fail to comply with these instructions may be subject to administrative disciplinary action as specified in Title 38. Questions regarding this matter should be directed to the attention of: Tim Campbell, Chief Financial Analyst, South Carolina Department of Insurance, Post Office Box 100105, Columbia, South Carolina 29202-3105 at (803) 737-6109.